

# European Christian Political Movement

Independent auditor's report on the financial year  
ended 31 December 2020

**Grant Thornton Bedrijfsrevisoren SCRL**

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**Independent auditor's report with respect to the Annual Accounts of the European Christian Political Movement for the year ended 31 December 2020**

In accordance with our service contract dated 5 January 2021 with the European Union represented by the European Parliament, we report to you as independent auditor on the performance of our audit mandate which was entrusted to Grant Thornton Bedrijfsrevisoren CVBA. This report includes our opinion on the balance sheet as at 31 December 2020, the income statement for the year ended 31 December 2020 and the disclosures (all elements together the "Annual Accounts") using the abbreviated schedule and on the Final Statement of reimbursable expenditure actually incurred as well as on compliance with rules and regulations applicable to funding of European political parties and European political foundations and includes as well our report on regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as independent auditor by the European Parliament in our contract dated 5 January 2021. Our mandate expires after the delivery of our audit opinion for the year ended 31 December 2021.

**Report on the audit of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred**

**Unqualified opinion**

We have audited the Annual Accounts of European Christian Political Movement (the "Entity"), that comprise the balance sheet on 31 December 2020, as well as the income statement of the year and the disclosures, which show a balance sheet total of € 73.306 and of which the income statement shows a profit for the year of € 20.225.

In our opinion, the Annual Accounts give a true and fair view of the Entity's net equity and financial position as at 31 December 2020, and of its results for the year then ended, prepared in accordance with the financial reporting framework applicable in The Netherlands, using the abbreviated schedule.

We have also audited the Final Statement of reimbursable expenditure actually incurred for the year ended 31 December 2020, in accordance with rules and regulations applicable to funding of European political parties and European political foundations, of European Christian Political Movement.

In our opinion, the Final Statement of reimbursable expenditure actually incurred of the Entity for the year ended 31 December 2020 is prepared, in all material respects, in accordance with rules and regulations applicable to funding of European political parties and European political foundations.

### **Basis for unqualified opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred" section of our report.

We have complied with all ethical requirements that are relevant to our audit, including those with respect of independence.

We have obtained from the Members of the Board and the officials of the Entity the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter - Basis of Accounting and Restriction on Distribution**

We draw attention to the Final Statement of reimbursable expenditure actually incurred. This schedule is prepared to assist the Entity to meet the requirements of the European Parliament. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Material uncertainty related to going concern**

We draw your attention to the disclosure on page 7 of the Annual Accounts relating to the preparation of the Annual Accounts under the assumption that the activities will be continued, despite the loss carried forward and the net liabilities exceeding net assets. This assumption is reasonable as long as the Entity continues to receive financial support from the European Parliament or other sources. Our opinion is not modified in respect of this matter.

### **Other Matters**

We draw your attention to the developments surrounding the Covid-19 virus that has a profound impact on people's health and on society as a whole. This also has an impact on the operational and financial performance of organisations and the assessment of the Entity's ability to continue as a Going Concern. The situation gives rise to inherent uncertainty. The Entity has not made any disclosure of its assessment of the impact of Covid-19 in the Annual Accounts. We have considered the uncertainties related to the potential effects of Covid-19 and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

On 31 January 2020, the United Kingdom withdrew from the European Union and the European Atomic Energy Community (EURATOM). Following intense negotiations, an agreement on future EU-UK relations was concluded end of December 2020. The Entity has not made any disclosure of its assessment of the impact of Brexit and the aforementioned agreement in the Annual Accounts. We have considered the uncertainties related to the potential effects of Brexit and the assumptions made by the Entity in this

respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Members of the Board for the preparation of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred**

The Members of the Board are responsible for the preparation of the Annual Accounts that give a true and fair view in accordance with the reporting framework applicable in The Netherlands and the Final Statement of reimbursable expenditure actually incurred. This responsibility includes: designing, implementing and maintaining internal control which the Members of the Board determine to be necessary to enable the preparation of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred that are free from material misstatement, whether due to fraud or error. The Members of the Board are responsible towards the European Parliament for the use of the contribution awarded and must comply with the provisions of the Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

As part of the preparation of the Annual Accounts, the Members of the Board are responsible for assessing the Entity's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Members of the Board should prepare the Annual Accounts using the going concern basis of accounting, unless the Members of the Board either intend to liquidate the Entity or to cease business operations, or has no realistic alternative but to do so.

### **Our responsibilities for the audit of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred**

Our objectives are to obtain reasonable assurance whether the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred are free from material misstatement, whether due to fraud or error, and to express an opinion on these Annual Accounts and Final Statement of reimbursable expenditure actually incurred based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Accounts and the Final Statement of reimbursable expenditure actually incurred.

When performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the financial statements in The Netherlands. However, a statutory audit does not provide assurance as to the future viability of the Entity nor as to the efficiency or effectiveness with which the governing body has conducted or will conduct the Entity's business. Our responsibilities regarding the assumption of going concern applied by the governing body are described below.

Furthermore, with respect to the Final Statement of reimbursable expenditure actually incurred, it is our responsibility to express an opinion on the compliance with rules and

regulations applicable to funding of European political parties and European political foundations.

As part of an audit, in accordance with ISA, we exercise professional judgment and we maintain professional scepticism throughout the audit. We also perform the following tasks:

- Identification and assessment of the risks of material misstatement of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements is larger when these misstatements are due to fraud, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Members of the Board as well as the underlying information given by the Members of the Board;
- Conclude on the appropriateness of the Members of the Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going-concern;
- Evaluating the overall presentation, structure and content of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred, and evaluating whether these Annual Accounts and the Final Statement of reimbursable expenditure actually incurred reflect a true and fair view of the underlying transactions and events.

We communicate with the Members of the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Report on regulatory requirements**

### **Responsibilities of the Members of the Board**

The Members of the Board are responsible for the compliance by the Entity with the legal and regulatory requirements applicable in The Netherlands, its articles of association, the legal and regulatory requirements regarding bookkeeping and the provisions of the Contribution Agreement between the European Parliament and the Entity ('the Funding Agreement'), Regulation (EU, Euratom) No. 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

### **Responsibilities of the auditor**

Our audit work included specific procedures to gather sufficient and appropriate audit evidence to verify, in all material respects, that the financial provisions and obligations of the contribution agreement, Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 (“the Financial Regulation”) and the underlying acts have been met.

### **Independence matters**

We have not performed any other services that are not compatible with the audit of the Annual Accounts and the Final Statement of reimbursable expenditure actually incurred and we have remained independent of the Entity during the course of our mandate.

### **Other communications**

- Without prejudice to certain formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in The Netherlands;
- The costs declared were actually incurred;
- The statement of revenue is exhaustive;
- The financial documents submitted by the entity to the European Parliament are consistent with the financial provisions of the Funding Agreement;
- The obligations arising from Regulation (EU, Euratom) No 1141/2014, in particular from Article 20 thereof, have been met;
- The obligations arising from the Funding Agreement, in particular from Article II.9 and Article II.19 thereof, have been met;
- Any unused part of Union funding is carried over to the next financial year;
- Any unused part of Union funding was used in accordance with Article 228(2) of the Financial Regulation;
- Any surplus of own resources was transferred to the reserve;
- We were not yet provided with the financial statements prepared in accordance with the international accounting standards defined in article 2 of regulation (EC) No 1606/2002. The financial statements prepared in accordance with the international accounting standards will be subject to a separate audit opinion.

Vilvoorde, 28 June 2021

Grant Thornton Bedrijfsrevisoren SCRL  
Represented by

Gunther Loits  
Registered auditor

## **Annex 1: Annual accounts**

# European Christian Political Movement

Annual reporting 2020



## Table of contents

### Basic Information about ECPM

Regulations	1
Board	1
General Assembly	1
Financial report 2019 approved	1
Committee ex Article 15(4)	1
Activities	2

### Financial Statements

Balance sheet as at 31 December 2020	4
Income statement for the year ended 31 December 2020	5
Statement of Cash Flows for the year ended 31 December 2020	6
Accounting policies used in preparing the financial statements	7
Notes to the balance sheet as at 31 December 2020	13
Notes to the income statement for the year ended 31 December 2020	17
Events after the balance sheet date for the consolidated financial statements	19
Annex 1: Profit and Loss account according to the models given by European Parliament	21
Annex 2: Members of ECPM (on 31-21-2020)	23

## Regulations

The objectives of the association are to reinforce Christian politics in Europe. European Christian Political Movement (ECPM) is a Political Party at European Level and represents a common European Framework for national Parties, MP's and MEP's associated to ECPM member-parties and similar organizations who adhere to the purpose of ECPM. This in accordance with the Regulation (EC) No1141/2014 of the European Parliament and of the Council on the regulations governing political parties at European level and the rules regarding their funding.

European Christian Political Movement (ECPM) is an association (in Dutch: vereniging zonder winstoogmerk) which has its seat in the municipality of The Hague (The Netherlands). The main address is: Bergstraat 33, 3811NG Amersfoort. ECPM also has an office in Brussels on Belliardstraat 205/14. ECPM is registered in the Chamber of Commerce (Kamer van Koophandel) under registration number: 27280826..

## Board

The board has 8 members that are elected by the General Assembly. At the end of the year 2020 the board had the following members:

Mr.	Jacob Cornelis (Jacques)	Bazen	Treasurer	<b>Netherlands</b>
Mr.	Filip Jakub	Łajszczak	Board member	<b>Poland</b>
Mr.	Ladislav	Ilčić	Board member	<b>Croatia</b>
Mr.	Valeriu	Ghilețchi	Board member	<b>Moldova</b>
Mrs.	Karin	Heepen	Board member	<b>Germany</b>
Mr	Branislav	Škripek	President	<b>Slovakia</b>
Mr	Giorgi	Rukhadze	Board Member	<b>Georgia</b>
Mrs.	Stieneke	van der Graaf	Board Member	<b>Netherlands</b>

Board meetings took place on 21 February, 7 May, 17 July, 25 September and 7 December.

## General Assembly

ECPM had in 2020 2 General Assemblies, both online, June 3<sup>rd</sup> and September 25<sup>th</sup> 2020

## Financial report 2019 approved

At the General Assembly held on June 3<sup>rd</sup> the financial report 2019 has been approved, including all small changes made with regard to EP-services comments. The result of 2019: € -63.263 has been deducted from the General reserve.

## Committee ex Article 15(4)

According to Article 15(4) of the Statutes shall the congress appoint a committee consisting of at least two persons, not being boardmembers, to audit the report and report its findings to the congress. For the year 2020 Grant Thonton Bedrijfsrevisoren audited the annual accounts and issued an unqualified opinion.

## Activities

Most of the Events that were held, had to be done via digital platforms so there were not really main activities in real life.

All mayor and minor ECPM Events are registered in the Yearbook on the website <http://www.ecpm.info>.

## 2020 Financial statements

of  
European Christian Political Movement



## Balance sheet as at 31 December 2020

after appropriation of result

### Assets

(in euros)

	<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>		
Intangible assets (1)	8.243	14.120
Property, plant and equipment (2)	14.471	19.373
Financial assets (3)	<u>3.479</u>	<u>3.479</u>
Total of non-current assets	26.193	36.972
<b>Current assets</b>		
Receivables (4)	30.961	31.709
Cash at bank and in hand	<u>16.152</u>	<u>6.162</u>
Total of current assets	<u>47.113</u>	<u>37.871</u>
<b>Total assets</b>	<u><u>73.306</u></u>	<u><u>74.843</u></u>

### Equity and liabilities

(in euros)

	<u>2020</u>	<u>2019</u>
<b>Own equity (5)</b>		
Own equity	-13.941	-34.166
<b>Provisions (6)</b>	24.448	-
<b>Current liabilities (7)</b>	62.799	109.009
<b>Total of equity and liabilities</b>	<u><u>73.306</u></u>	<u><u>74.843</u></u>

## Income statement for the year ended 31 December 2020

(in euros)

	<b>2020</b>	<b>Budget 2020</b>	<b>2019</b>
<b>Gross operating result (8)</b>	658.161	732.000	1.140.727
wages and salaries (9)	243.118	230.000	253.294
social security charges (10)	51.120	50.000	47.255
amortization of intangible assets and depreciation of property, plant and equipment (11)	13.064	7.000	8.362
other operating expenses (12)	330.626	408.000	895.076
<b>Total of sum of expenses</b>	<u>637.928</u>	<u>730.000</u>	<u>1.203.987</u>
	20.233	2.000	-63.260
financial income and expenses (13)	<u>-8</u>	<u>-2.000</u>	<u>-3</u>
<b>Result</b>	<u><u>20.225</u></u>	<u><u>-</u></u>	<u><u>-63.263</u></u>

(in euros)

<b>Appropriation of results</b>	<b>General reserve</b>	<b>Specific (European Parliament) Reserve</b>	<b>Total Own Equity</b>
General reserve at January 1, 2020	3.077	-37.243	-34.166
Result 2020	0	20.225	20.225
General reserve at December 31, 2020	<u><u>3.077</u></u>	<u><u>-17.018</u></u>	<u><u>-13.941</u></u>

## Statement of Cash Flows for the year ended 31 December 2020

EUR	Notes	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operational income</b>		20.233	-63.260
Adjustments for:			
Finance costs	13	-8	-4
Depreciation and impairment of property, plant and equipment	11	7.187	5.343
Amortisation and impairment of intangible assets	11	5.877	3.019
Movement in provisions	6	24.448	-78.997
European Parliament grant	7	-598.583	-921.217
<b>Net profit/(loss) before changes in working capital</b>		<b>-540.846</b>	<b>-1.055.116</b>
Changes in working capital:			
Decrease/(increase) in trade and other receivables		748	16.148
Increase/(decrease) in trade and other payables		-46.210	10.609
Cash receipt/(reimbursement) European Parliament grant:			
Receipt of European Parliament grant	7	598.583	921.217
<b>Net cash flows from operating activities</b>		<b>12.275</b>	<b>-107.142</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of intangible assets	1	0	-12.189
Purchases of property, plant and equipment	2	-2.285	-18.626
Proceeds from sale of property, plant and equipment		0	0
<b>Net cash flows from investing activities</b>		<b>-2.285</b>	<b>-30.815</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		0	0
Interest paid on lease liabilities		0	0
Payments of lease liabilities		0	0
<b>Net cash flows from financing activities</b>		<b>0</b>	<b>0</b>
<b>Movement in cash and cash equivalents including bank overdrafts</b>		<b>9.990</b>	<b>-137.957</b>
<b>Net increase in cash and cash equivalents</b>		<b>9.990</b>	<b>-137.957</b>
Net foreign exchange difference			
<b>Cash and cash equivalents at 1 January</b>		<b>6.162</b>	<b>144.119</b>
<b>Cash and cash equivalents at 31 December</b>		<b>16.152</b>	<b>6.162</b>

# Accounting policies used in preparing the financial statements

## General

The registered office according to the Articles of Association of European Christian Political Movement (ECPM) is in The Hague (Den Haag). ECPM is registered in the Register of the Chamber of Commerce under the file number: 27280826. ECPM is officially registered with the Authority for European Political parties and foundations.

The address of ECPM is Bergstraat 33, 3811NG AMERSFOORT, The Netherlands.

The financial statements for the year ended 31 December 2020 have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. The financial statements were prepared on March 22nd 2021.

Although ECPM is registered as a Association under Dutch Law, for reasons of clarity, ECPM will be mentioned as 'the Party'. This is because of the registration of ECPM with before mentioned Authority.

## Framework

In 2020 the Foundation has changed their presentation-framework of the Annual Account. The framework used to be 'in accordance with the Guidelines for annual reporting of the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving')' but changed to the model provided in RJK C1. The change in Framework has no effect on the result and own equity of 2019 and 2020.

## Affiliated organizations

ECPM as a political party on European level has two affiliated organizations:

- SALLUX, the political Foundation attached to ECPM. SALLUX acts as a scientific institute to ECPM.
- ECPYouth, the Youth organization of ECPM.

## Activities

The Parties main activities are, cooperating with member-parties and Members of (European) Parliament in Europe, organizing of meetings and events, studies and research and influencing the opinion in Europe.

## Going concern

The equity of ECPM amounts to €-13.941 as at 31 December 2020. The reserves are negative. Currents assets (€ 47.113) are not sufficient to cover short term liabilities (€ 62.799). These conditions indicate the existence of an uncertainty which may cast doubt about the Parties ability to continue as a going concern. For the year 2021 the Authority awarded a grant of maximum € 732.817.

ECPM foresees to continue its operations as long as it receives annual funding form the European Parliament. In this regard the annual acocunts have been prepared under the assumption of going concern.

## Foreign currency

### Functional currency

The financial statements are prepared and presented in euros, which is also the functional currency of the party.

### Foreign currency translation

Transactions denominated in foreign currencies are initially recorded at the functional currency exchange rates on the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional currency exchange rates on the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling on the date of transaction. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling on the date of valuation.

Foreign currency exchange rate results arising on the settlement or translation of monetary items denominated in foreign currencies are recognized in the income statement.

Exchange differences arising on the translation of non-monetary assets and liabilities denominated in foreign currencies that are carried at current value are recognized directly in the revaluation reserves in equity.

## Financial instruments

Financial instruments include both primary financial instruments, such as receivables, securities and payables, and derivative financial instruments.

For the accounting policies applicable to primary financial instruments, please refer to the treatment of individual balance sheet items.

The party does not have derivatives.

## Intangible assets

### General

An intangible asset is recognized in the balance sheet if:

- It is probable that the future economic benefits that are attributable to the asset will accrue to the party
- The cost of the asset can be reliably measured

Costs relating to intangible assets not meeting the criteria for capitalization (for example, cost of research, internal developed brands, logos, trademark rights and client databases) are recognized directly in the income statement.

Intangible assets obtained on the acquisition of a group company are carried at the fair value as at the date on which they are obtained.

Intangible assets are carried at cost of acquisition or production net of accumulated amortization and accumulated impairment losses where applicable.

Intangible assets are amortized on a straight-line basis over their expected useful economic lives, subject to a maximum of 20 years. The useful economic life and the amortization method are reviewed at each financial year-end. If the estimated useful economic life exceeds twenty years, an impairment test is carried out at each financial year-end following the date of recognition.

The actual Amortization rate for the Website is 25%.

## Property, plant and equipment

### Property, plant and equipment for own use

Property, plant and equipment for own use are carried at the cost of acquisition or production (less any investment grants) net of accumulated depreciation and, if applicable, accumulated impairment losses. Property, plant and equipment carried at cost do not include capitalized interest charges.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful economic lives, taking into account the residual value.

The duration of amortization is as follows:

- Other property, plant and equipment are depreciated over three to five years

If the expected depreciation method, useful economic life and/or residual value are subject to changes over time, they are treated as a change in accounting estimate.

The carrying amount includes capitalized major maintenance costs when incurred and if the recognition criteria are met. The carrying amount of the components to be replaced will be regarded as a disposal and recognized directly in the income statement. All other repair and maintenance costs are recognized directly in the income statement.

If a property, plant and equipment involves costs of obligations for restoring that are the consequence of having built the asset, the costs of restoring are recognized as part of the carrying amount of the asset, with a provision being recognized for an equal amount at the same time.

Property, plant and equipment is derecognized upon sale or when no further economic benefits are expected from its continued use or sale. The gain or loss arising on the disposal is recognized in the income statement.

The depreciation-rates:

For Plant, Machinery and equipment: 25%

For Furniture and material 20%-33%.

There have been no expenses for maintenance in 2020.

## Financial assets

### Other financial assets

#### Non-current receivables

Non-current receivables and loans granted to participating interests as well as other receivables granted are recognized initially at fair value plus directly attributable transaction costs, and subsequently stated at amortized cost based on the effective interest method, minus impairment where applicable. Gains and losses are recognized in the income statement when the receivables are transferred to a third party or an (reversal) impairment is recognized, as well as through the amortization process.

### Receivables

Receivables under current assets are initially recognized at fair value plus transaction costs and subsequently stated at amortized cost based on the effective interest method net of a provision for doubtful debts when necessary.

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, bank balances, notes and cheques and carried at face value. It also includes deposits if these are effectively at ECPM's free disposal, even if interest income may be lost.

Cash at bank and in hand not expected to be at ECPM's free disposal for longer than twelve months is classified as financial assets under the non-current assets. Cash at bank and in hand are carried at face value.

### Impairment of non-financial assets

ECPM assesses, at each reporting date, whether a non-financial asset or group of non-financial assets is impaired. ECPM assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, ECPM estimates the asset's recoverable amount. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the net realizable value and the value in use. An impairment loss is directly recognized in the income statement while the carrying amount of the asset concerned is concurrently reduced.

The net realizable value is initially based on a binding sale agreement; if there is no such agreement, net realizable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. In cases where there is no active market, the net realizable value is derived from generally accepted valuation models. The costs deducted in determining the net realizable value are based on the estimated costs that are directly attributable to the sale and are necessary to realize the sale.

ECPM assesses, at each reporting date, whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, ECPM estimates the asset's

or cash-generating unit recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

## Classification of equity and liabilities

A financial instrument or its separate components are classified in the financial statements as liability or as equity, in accordance with the substance of the contractual agreement underlying the financial instrument. In ECPM financial statements, a financial instrument is classified in accordance with the legal reality. Interest, dividends, gains and losses relating to a financial instrument, or part of a financial instrument, are included in the financial statements in accordance with the classification of the financial instrument as liability or equity.

## Provisions

A provision is recognized if ECPM has a legal or constructive obligation on the balance sheet date and if it is probable that an outflow of resources will be required to settle the obligation and the amount of the liability can be reliably estimated. The amount of the provision is determined based on a best estimate of the amounts required to settle the liabilities and losses concerned as at the balance sheet date. Provisions are carried at present value, unless stated otherwise.

If a third-party reimbursement of expenses to settle a provision is probable, the reimbursement is recognized as a separate asset.

## Non-current liabilities

On initial recognition, non-current liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, non-current liabilities are carried at amortized cost.

## Current liabilities

On initial recognition, current liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, current liabilities are carried at amortized cost. This is usually the face value for current liabilities.

## Income

### General

The Party's income is mainly the European Parliament-Contribution. Members are paying a annual membership fee, based on the regulation adopted by the General Assembly and the Board. The Party also charges fees for attendance of Events.

### Sale of goods

Income from the sale of goods is recognized in the income statement once all the major rights to economic benefits and significant risks relating to the goods have been transferred to the buyer, the income can be reliably measured and the income is probable to be received.

## Services

If the result of a transaction relating to a service can be reliably estimated and the income is probable to be received, the income relating to that service is recognized in proportion to the service delivered. Stage of completion is based on the costs incurred in providing the services up to the balance sheet date in proportion to the estimated costs of the total services to be provided.

## Interest

Interest income is recognized pro rata in the income statement, taking into account the effective interest rate for the asset concerned.

## Government grants related to income

Government grants related to income are recognized in the income statement in the year in which the subsidized expenditure is incurred, in which the reduction of income is recognized or in which the operating loss is incurred for which the grant was received. The EP-grant that the Party receives counts as a Government grant.

## Expenses

### General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

### Personnel

Wages, salaries and social security charges are recognized in the income statement according to the terms of employment, to the extent they are due to either employees or the tax authorities.

ECPM recognizes an obligation if it has demonstrably committed to paying a termination benefit or transition payment. If the termination is part of a reorganization, ECPM includes the costs of a termination benefit or transition payment in a provision for reorganization costs.

Jubilee benefits are recognized as an expense in the year in which they are paid.

### Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the income statement, with the amortized (net) cost of the liabilities being recognized in the balance sheet. Period interest expense and similar related expenses are recognized in the year in which they fall due.

## Notes to the balance sheet as at 31 December 2020

### Intangible assets (1)

The movement of the Intangible assets can be calculated as follows:

	Website	Total
<b>Opening net book amount at 1 January 2019</b>	4.950	4.950
Additions	12.189	12.189
Disposals	-	-
Depreciation charge	-3.019	-3.019
<b>Closing net book amount at 31 December 2019</b>	<b>14.120</b>	<b>14.120</b>
<b>At 31 December 2019</b>		
Cost or valuation	21.196	21.196
Accumulated depreciation, impairment and other adjustments	-7.076	-7.076
<b>Closing net book amount at 31 December 2019</b>	<b>14.120</b>	<b>14.120</b>
<b>Opening net book amount at 1 January 2020</b>	14.120	14.120
Additions	-	-
Disposals	-	-
Depreciation charge	-5.877	-5.877
<b>Closing net book amount at 31 December 2020</b>	<b>8.243</b>	<b>8.243</b>
<b>At 31 December 2020</b>		
Cost or valuation	21.196	21.196
Accumulated depreciation, impairment and other adjustments	-12.953	-12.953
<b>Closing net book amount at 31 December 2020</b>	<b>8.243</b>	<b>8.243</b>
<b>Amortization rate</b>	<b>33,3%</b>	

## Property, plant and equipment (2)

The movement of the property, plant and equipment can be calculated as follows

EUR	Plant, Machinery and equipment	Furniture and material	Total
<b>At 1 January 2019</b>			
Cost or valuation	0	12.581	12.581
Accumulated depreciation, impairments and other adjustments	0	-6.491	-6.491
<b>Opening net book value at 1 January 2019</b>	<b>0</b>	<b>6.090</b>	<b>6.090</b>
<b>Period ended 31 December 2019</b>			
Additions	1978	16.648	18.626
Disposals	0	0	0
<b>Closing Cost or Valuation at 31 December 2019</b>	<b>1.978</b>	<b>29.229</b>	<b>31.207</b>
Accumulated depreciation on disposals	0	0	0
Depreciation charge for the year	-412	-4931	-5.343
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2019</b>	<b>-412</b>	<b>-11.422</b>	<b>-11.834</b>
<b>Closing net book value at 31 December 2019</b>	<b>1.566</b>	<b>17.807</b>	<b>19.373</b>
<b>Period ended 31 December 2020</b>			
Additions	1.752	533	2.285
Disposals	-	0	0
<b>Closing Cost or Valuation at 31 December 2020</b>	<b>3.730</b>	<b>29.762</b>	<b>33.492</b>
Accumulated depreciation on disposals	0	0	0
Depreciation charge for the year	-896	-6291	-7.187
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2020</b>	<b>-1.308</b>	<b>-17.713</b>	<b>-19.021</b>
<b>Closing net book value at 31 December 2020</b>	<b>2.422</b>	<b>12.049</b>	<b>14.471</b>
<b>Depreciation rate:</b>	<b>25%</b>	<b>20-33%</b>	

All Property, plant and equipment is owned by the Foundation and valued

The used method of depreciation is: straight-line depreciation.

The item Property, plant and equipment is only for the Party's own use. This was also the case in 2019.

### Financial assets (3)

The financial assets consist of a Rental-deposit that was paid to the lessor of the office-building on Bergstraat 33, Amersfoort NL of € 1.629 and to the lessor of the office-building on Belliardstraat 205/14, 1040 Brussels € 1.850

EUR	31-dec-20	31-dec-19
Rental deposit	3.479	3.479
<b>Total Financial Assets</b>	<b>3.479</b>	<b>3.479</b>

### Receivables (4)

EUR	31-dec-20	31-dec-19
Trade receivables	0	4649
Membership fees receivable	6.240	3.000
Donations receivable	11.220	23.600
Prepayments	13.501	460
<b>Total trade and other receivables</b>	<b>30.961</b>	<b>31.709</b>

### Own equity (5)

#### Equity

EUR	2020	2019
<b>General reserve</b>		
Opening amount January 1st	3.077	3.077
Result of the financial year	-	-
<b>Closing amount at 31 December</b>	<b>3.077</b>	<b>3.077</b>
<b>Specific (European Parliament) Reserve</b>		
Opening amount January 1st	-37.243	26.020
Result of the financial year	20.225	-63.263
<b>Closing amount at 31 December</b>	<b>-17.018</b>	<b>-37.243</b>
<b>Total Own Equity</b>	<b>-13.941</b>	<b>-34.166</b>

## Provisions (6)

The Foundation has, according to Regulation EU, EURATOM 1141/2014 a possibility to 'carry-over' costs from year 2021 to year 2020 in order to receive the total contribution of the European Parliament. A provision is formed for the amount not spent in year 2020 to receive the full contribution. This amount is calculated annually with support of a 'Contribution calculation document'.

EUR	31-dec-20	31-dec-19
<b>Provision carry-over Q1 next year</b>	24.448	0

## Current liabilities (7)

EUR	31-dec-20	31-dec-19
Creditors	23.460	52.139
Taxes	6.031	3.111
European Parliament Grant	-	-
Holiday allowance	33.143	31.887
Payment to SD Worx	-	10.552
Credicard payable	-	-
Other liabilities	165	11.320
<b>Total current liabilities</b>	<b>62.799</b>	<b>109.009</b>

## Arrangements and commitments not shown in the balance sheet

### Operating leases – ECPM as lessee

ECPM has entered into operating leases for office space as lessee. The face value of the future minimum lease payments is € 31.139 (2019: €37.115). The average maturity of the operating lease contracts per balance sheet date is 4,2 years (2019: 5,2 years). The address is Bergstraat 33 3811NG Amersfoort NL  
 ECPM has entered into operating leases for office space as lessee. The rent is for an indefinite period with a cancellation-term of 3 month. The annual rent is established at € 12.804. The address is Belliardstraat 205/14, 1040 Brussels.

## Notes to the income statement for the year ended 31 December 2020

### Gross operating result (8)

EUR	2020	Budget 2020	2019
EP-contribution	598.583	657.000	921.217
Carry-over N-1	-	-	78.997
Carry-over N	-24.448	-	-
Membershipfees	38.376	30.000	36.960
Donations	44.235	38.500	99.220
Booksales/Entrance fees	1.415	6.500	4.333
Interest from prefinancing	-	-	-
	<b>658.161</b>	<b>732.000</b>	<b>1.140.727</b>

The European Parliament contribution is recognized for € 598.583 of the contract with the European Parliament. This contribution is based on an annual application. The provisions for this grant are laid down in the grant decision FINS 2020-9 dated 13-02-2020. The final report of 2019 has been approved by the European Parliament on 18-01-2021.

### Wages and salaries (9)

EUR	2020	Budget 2020	2019
Dutch Wages and Salaries	84.768	85.000	98.018
Belgian Wages and Salaries	158.350	145.000	155.276
	<b>243.118</b>	<b>230.000</b>	<b>253.294</b>

### Social security charges (10)

EUR	2020	Budget 2020	2019
Pension charges	-	-	-
Dutch social security charges	15.256	20.000	18.853
Belgian social security charges	35.864	30.000	28.402
	<b>51.120</b>	<b>50.000</b>	<b>47.255</b>

### Workforce

The average number of staff (in FTEs) employed by the Party in 2020 was 1,95 FTE in The Netherlands and 3 FTE in Belgium (2019:2,33 FTE and 2.83 FTE). All Dutch staff was working from the Amersfoort Office, all Belgian staff were working from the Brussels office.

## Amortization of intangible assets and depreciation of property, plant and equipment (11)

EUR	2020	Budget 2020	2019
Intangible assets	5.877	3.000	3.019
Property, plant and equipment	7.187	4.000	5.343
	<b>13.064</b>	<b>7.000</b>	<b>8.362</b>

## Other operating expenses (12)

EUR	2020	Budget 2020	2019
Other personell costs	61.147	71.000	56.183
Rent and cost of housing	26.397	22.000	21.825
Office costs	16.441	6.500	84.693
Accounting and Legal costs	13.827	12.000	9.703
Studies and research	5.041	5.000	11.417
Events and meetings	171.128	302.500	331.917
Publication costs	21.453	2.000	6.929
Website	7.165	5.000	1.745
Publicity and communications	9.832	4.169	336.809
Postal and telecom	3.858	2.000	4.834
	<b>330.626</b>	<b>443.000</b>	<b>895.076</b>

## Financial income and expenses (13)

EUR	31-dec-19	Budget 2019	31-dec-18
Financial costs	8	2.000	3
	<b>8</b>	<b>2.000</b>	<b>3</b>

## Events after the balance sheet date for the consolidated financial statements

In 2020 the Corona-virus spread through the world. This was very disturbing to the activities. Because ECPM receives the main part of its income from the European Parliament, the Impact of the crisis for ECPM was limited.

## Signatories to the financial statements

Board:

Ladislav Ilčić (President (acting))

A handwritten signature in blue ink that reads "Ladislav Ilčić". The signature is written in a cursive style with a small "v.1" above the "i" in "Ilčić".

Jacques Bazen (Treasurer)

A handwritten signature in blue ink that reads "Jacques Bazen". The signature is written in a cursive style with a large, stylized "J" and "B".

## **Other information**

### **Auditor's report**

The Auditor's report can be found before this document.

### **Statutory remarks about Appropriation of results**

The Statutes mention that the General Assembly has the authority to decide the appropriation of the results (Article 16). In anticipation of the decision of the General Assembly the result of 2020 of € 20.225 has been added to the Specific EP-reserve.

## Annex 1: Profit and Loss account according to the models given by European Parliament

	<b>2020</b>	<b>Budget 2020</b>	<b>2019</b>
<b>A.1: Personell costs</b>			
A.1.1. Salaries	320.263	315.000	344.525
A.1.2. Contributions	-	-	-
A.1.3. Professional training	3.083	6.000	2.294
A.1.4. Staff mission expensives	4.657	19.000	30.377
A.1.5. Other personell costs	27.382	11.000	1.680
	<hr/>	<hr/>	<hr/>
	355.385	351.000	378.876
<b>A.2: Infrastructure and operating costs</b>			
A.2.1. Rent, charges & maintenance costs	26.397	22.000	25.881
A.2.2. Costs relating to the installation, etc	525	2.000	709
A.2.3. Depreciation of (im)movable property	13.065	7.000	8.362
A.2.4. Stationary and ofiice supplies	11.242	3.500	4.378
A.2.5. Postal and telecommunications charges	3.857	2.000	4.759
A.2.6. Printing, translations and reprod. costs	3.417	2.000	1.688
A.2.7. Other infrastructure costs	764	-	-
	<hr/>	<hr/>	<hr/>
	59.267	38.500	45.777
<b>A.3: Administrative expenditure</b>			
A.3.1. Documentation costs (newspapers etc.)	384	500	335
A.3.2. Costs of studies and research	5.041	5.000	10.000
A.3.3. Legal costs	2.688	2.000	-
A.3.4. Accounting and office costs	11.139	10.000	13.444
A.3.5. Support to affiliated org and subsidies	10.545	25.000	19.783
A.3.6. Miscellaneous administrative costs	634	500	601
	<hr/>	<hr/>	<hr/>
	30.431	43.000	44.163
<b>A.4: Meetings and representation costs</b>			
A.4.1. Costs of meetings of the foundation	159.484	269.500	390.170
A.4.2. Participation in seminars and conf	469	6.000	7.272
A.4.3. Representation costs	630	1.000	86
A.4.4. Costs of invitations	-	-	-
A.4.5. Other meeting related costs	-	-	256
	<hr/>	<hr/>	<hr/>
	160.584	276.500	397.784

A.5: Information and publication costs			
A.5.1. Publications costs	21.453	2.000	548
A.5.2. Creation and operation of internet sites	6.640	3.000	30
A.5.3. Publicity costs	4.169	10.000	31.115
A.5.4. Communication equipment (gadgets)	-	4.000	5.922
A.5.5. Seminars and exhibitions	-	1.000	-
A.5.6. Election Campaigns	-	-	299.772
A.5.7. Other information related costs	-	1.000	-
	<u>32.262</u>	<u>21.000</u>	<u>337.387</u>
A.6. Expenditure related to contrib. in kind	-	-	-
A.7. Allocation to "Provision to cover etc.			
B.1 Non-eligible expenditure			
B.1.1. Allocations to other provisions	-	1.000	-
B.1.2. Financial charges	8	-	3
B.1.3. Exchange losses	-	-	-
B.1.4. Doubtfull claims on third parties	-	1.000	-
B.1.5. Others	-	-	-
	<u>8</u>	<u>2.000</u>	<u>3</u>
Total expenditure	662.384	637.936	732.000
D.1. European Parliament funding			
D.1.1. EP funding carried over from N-1	-	-	78.997
D.1.2. European parliament contribution	598.583	657.000	921.217
D.1.3. EP funding carried over to N+1	-24.448	-	-
D.2. Membership fees			
D.2.1. Membership fees from member parties	38.124	20.000	36.960
D.2.2. Membership fees from ind. members	252	10.000	-
D.3. Donations			
D.3.1. Donations above 500 EUR	38.450	28.500	94.005
D.3.2. Donations below 500 EUR	5.785	10.000	5.215
D.4. Other own resources	1.415	6.500	4.333
Total Revenue	<u>658.161</u>	<u>732.000</u>	<u>1.140.727</u>
Result	<u>20.225</u>	<u>-</u>	<u>-63.263</u>

## Annex 2: Members of ECPM (on 31-21-2020)

<b>Austria</b>	Christliche Partei Österreichs
<b>Croatia</b>	HRAST - pokret za uspješnu Hrvatsku
<b>Croatia</b>	Hrvatski Suverenisti
<b>France</b>	VIA, la voie du peuple
<b>Germany</b>	Bündnis C
<b>Germany</b>	Familien-Partei Deutschlands
<b>Ireland</b>	Human Dignity Alliance
<b>Italy</b>	IDEA - Identità e azione Popolo e Libertà
<b>Lithuania</b>	Lithuanian Christian Democracy Party
<b>Netherlands</b>	ChristenUnie
<b>Netherlands</b>	Staatkundig Gereformeerde Partij
<b>Poland</b>	Prawica Rzeczypospolitej
<b>Poland</b>	Unia Polityki Realnej
<b>Portugal</b>	Partido Popular Monarquico
<b>Romania</b>	Uniunea Democratică a Slovacilor și Cehilor din România
<b>Romania</b>	Partidul Național Țărănesc Creștin Democrat
<b>Slovakia</b>	Kresťanska Unia
<b>Spain</b>	Contigo Más
<b>Georgia</b>	Christian Democratic People's Party
<b>Northern Macedonia</b>	INTEGRA
<b>Switzerland</b>	Evangelische Volkspartei
<b>Ukraine</b>	HRistijans'ko-Demokraticnij Sojuz
<b>United Kingdom</b>	Christian Peoples Alliance

## **Annex 2: Final Statement of reimbursable expenditure actually incurred**

## ESTIMATED BUDGET

Costs		
Reimbursable costs	Budget	Actual
<b>A.1: Personnel costs</b>	<b>351.000,00</b>	<b>355.385,00</b>
1. Salaries	315.000,00	320.263,00
2. Contributions	0,00	0,00
3. Professional training	6.000,00	3.083,00
4. Staff missions expenses	19.000,00	4.657,00
5. Other personnel costs	11.000,00	27.382,00
<b>A.2: Infrastructure and operating costs</b>	<b>38.500,00</b>	<b>59.267,00</b>
1. Rent, charges and maintenance costs	22.000,00	26.397,00
2. Costs relating to installation, operation and maintenance of equipment	2.000,00	525,00
3. Depreciation of movable and immovable property	7.000,00	13.065,00
4. Stationery and office supplies	3.500,00	11.242,00
5. Postal and telecommunications charges	2.000,00	3.857,00
6. Printing, translation and reproduction costs	2.000,00	3.417,00
7. Other infrastructure costs	0,00	764,00
<b>A.3: Administrative costs</b>	<b>43.000,00</b>	<b>30.431,00</b>
1. Documentation costs (newspapers, press agencies, databases)	500,00	384,00
2. Costs of studies and research	5.000,00	5.041,00
3. Legal costs	2.000,00	2.688,00
4. Accounting and audit costs	10.000,00	11.139,00
5. Miscellaneous administrative costs	500,00	10.545,00
6. Support to associated entities	25.000,00	634,00
<b>A.4: Meetings and representation costs</b>	<b>276.500,00</b>	<b>160.583,00</b>
1. Costs of meetings	269.500,00	159.484,00
2. Participation in seminars and conferences	6.000,00	469,00
3. Representation costs	1.000,00	630,00
4. Costs of invitations	0,00	0,00
5. Other meeting-related costs	0,00	0,00
<b>A.5: Information and publication costs</b>	<b>21.000,00</b>	<b>32.262,00</b>
1. Publication costs	2.000,00	21.453,00
2. Creation and operation of Internet sites	3.000,00	6.640,00
3. Publicity costs	10.000,00	4.169,00
4. Communications equipment (gadgets)	4.000,00	0,00
5. Seminar and exhibitions	1.000,00	0,00
6. Election campaigns	0,00	0,00
7. Other information-related costs	1.000,00	0,00
<b>A. TOTAL REIMBURSABLE COSTS</b>	<b>730.000,00</b>	<b>637.928,00</b>
<b>Non-reimbursable costs</b>		
1. Allocations to other provisions	1.000,00	0,00
2. Financial charges	0,00	8,00
3. Exchange losses	0,00	0,00
4. Doubtful claims on third parties	1.000,00	0,00
5. Others invoice 2017	0,00	0,00
6. Contributions in kind	0,00	0,00
<b>B. TOTAL NON-REIMBURSABLE COSTS</b>	<b>2.000,00</b>	<b>8,00</b>
<b>C. TOTAL COSTS</b>	<b>732.000,00</b>	<b>637.936,00</b>

Revenue		
	Budget	Actual
D.1-1. European Parliament funding carried over from year N-1	n/a	0,00
D.1-2. European Parliament funding awarded for year N	n/a	598583,00
D.1-3. European Parliament funding carried over to year N+1	n/a	24448,00
<b>D.1. European Parliament funding used to cover 85% of reimbursable costs in year N</b>	<b>657.000,00</b>	<b>574.135,00</b>
<b>D.2 Member contributions</b>	<b>30.000,00</b>	<b>38.376,00</b>
2.1 from member parties	20.000,00	38.124,00
2.2 from individual members	10.000,00	252,00
<b>D.3 Donations</b>	<b>38.500,00</b>	<b>44.235,00</b>
Donations above € 500	28.500,00	38.450,00
Donations below € 500	10.000,00	5.785,00
<b>D.4 Other own resources</b>	<b>6.500,00</b>	<b>1.415,00</b>
conference fees	6.500,00	1.415,00
D.5. Contributions in kind		
<b>D. TOTAL REVENUE</b>	<b>732.000,00</b>	<b>658.161,00</b>
<b>E. profit/loss (D-C)</b>	<b>0,00</b>	<b>20.225,00</b>

F. Allocation of own resources to the reserve account		20.225,00
G. Profit/loss for verifying compliance with the no-profit rule (E-F)	0,00	0,00
H. Interest from pre-financing		

Andrija Štarić